

**JOURNAL**  
**OF THE**  
**SENATE OF TEXAS**

**BEING THE**  
**Third Called Session**  
**OF THE**  
**FORTY-THIRD LEGISLATURE**

**BEGUN AND HELD AT**  
**The City of Austin, August 27, 1934**



**MARY GREER RUGELEY, JOURNAL CLERK.**  
**MELFORD S. DICKERSON, ASSISTANT JOURNAL CLERK.**

**Request to Print.**

Senator Beck sent up the report of the Senate Investigating Committee and requested it be printed in the Journal.

The request was granted.

**Preliminary Report.**

of the

Senate Investigating Committee  
Forty-third Legislature, Third Called  
Session.

**Members of Committee:**

Senator J. W. E. H. Beck, Chairman; Senator John S. Redditt, Senator Will M. Martin, Senator W. R. Poage, Senator H. Grady Woodruff, Senator George C. Purl, Senator Walter C. Woodward.

Austin, Texas, Sept. 24, 1934.

To the Senate of the State of Texas:

We, your committee authorized under S. R. No. 120, Acts of the Forty-third Legislature, Regular Session, and amended by S. R. No. 30, adopted February 27, 1934, beg leave to make this preliminary report.

The major activities of this committee since its organization have been:

First, the investigation of waste

of natural gas in the Panhandle gas fields of Texas.

Second, the investigation of the scholastic census rolls of the State of Texas in an effort to determine irregularities, mistakes and errors, if any, contained in said rolls.

This committee held a hearing at Amarillo, Texas, commencing on the ninth day of April, 1934, and continuing until the twelfth day of April, 1934, at which hearing the committee heard land owners, royalty owners, representatives from oil companies, utility companies and all interested parties in the Panhandle gas fields of Texas. A detailed report of this hearing with our recommendations has been heretofore presented by this committee, which report appears in detail in the Senate Journal of this Called Session.

This committee has made many investigations and has held numerous hearings over the State of Texas in an effort to determine the irregularities, if any, existing in the laws now in effect regulating the scholastic rolls of this State, and also as to the form and manner of taking the school census of Texas. These hearings have not been confined to any particular area in the State of Texas but have been held at various points all over the State, and at these hearings we have had the opportunity of hearing representatives of school boards, county and city school superintendents, and also various persons charged with the duty of taking said census in their particular localities. We have generally found that many errors occur in the scholastic rolls of the State of Texas. A detailed report with our recommendations will be made to the Forty-fourth Legislature in regular session.

The investigation and hearings of this committee have resulted in a saving to the State of Texas of a considerable amount of money. In connection with our investigation and hearings on the oil and gas situation in the Panhandle Fields of Texas, we have been advised by the Honorable George H. Sheppard, Comptroller of the State of Texas, that in one particular case there was an increase payment in taxes of the sum of \$80,770.66, this amount representing the increased taxes paid by one operator in the Panhandle field of Tex-

as for the months of May, June, July and August, 1934. The taxes that were paid for the months of January, February and March and April, 1934, amounted to the sum of \$30,342.36, whereas immediately following our hearings at Amarillo in April, 1934, the taxes paid for the months of May, June, July and August, 1934, amounted to the sum of \$111,113.02, or an increase of \$80,770.66. In a letter to the chairman of this committee, with reference to this particular case, your Comptroller said:

"It is very probable that this increase was due to the good work of your committee in investigations of such matters."

In connection with our gas hearings we discovered that natural and casinghead gas operators were delinquent in their payments to the State, and as a result of this information furnished the State Comptroller, this committee was advised by him under date of September 21, 1934, as follows:

"This information, together with other information obtained from you, has enabled my Department to make additional assessments in the approximate amount of \$20,000 for the period January 1, 1934, to September 1, 1934. Additional assessments will probably be made in the near future and the benefit for the State concerning future payments will far exceed our first expectations."

This committee through its efforts has saved the public school system of Texas a large amount of money in assisting in the correction of the scholastic rolls furnished the Department of Education by the various school districts of the State of Texas. Under date of September 24, 1934, Honorable L. A. Wood, Superintendent of the State Department of Education, advised your chairman of this committee in connection with the work done relative to school census as follows:

"Senator J. W. E. H. Beck, Chairman Senate Investigating Committee, Austin, Texas.

"My dear Senator:

"I am requested by my employee, Mr. John Olsen, to give you a short summary of the status of the present scholastic census.

"The public hearings of the Senate Investigating Committee early in the

present calendar year, with its resulting publicity, led, in my opinion, to a more cooperative spirit among all school officials toward securing an accurate scholastic census with the certain result that the submission of the original rolls indicated a filing of children's names of approximately 7,000 less scholastics than were approved in last year's rolls, or approximately 19,000 less than were submitted in the year 1933-34.

"The number of dollars alone in the original submission is estimated by the person in charge of census to be \$115,000 saved. The ordinary removed duplications of children's names account annually for around 7,000 or 8,000 names. This is usual. In addition to that, this year, owing to certain specific investigations made by the Senate Investigating Committee with sufficient labor for the purpose, five separate counties accounted for the substantial reductions above the ordinary duplications of around 1,700 scholastics.

"Investigations authorized and financed by the Senate Investigating Committee resulted in the elimination from past census rolls and the coming census rolls of 3,666 names.

"Mr. Olsen informs me that by continued attention and investigation, the number of scholastics upon the present scholastic census roll may be materially reduced even more. Basing my estimate upon his report to me, it is safe to assume that my Department's cooperation with the Senate Investigating Committee has resulted in the substantial saving of approximately \$550,000 to the State available school fund. It seems evident that had it not been for the increased appropriation to the census work by the Legislature that only a small part of this saving could have been made, and that the Department of Education has labored under this restriction of insufficient funds to such extent that not only this phase of educational work has been limited but all phases of educational administration have had the same difficulty in operation of administration.

"Summarized, Mr. Olsen's opinion is as follows:

"Saving to the State available school fund due to publicity of the

Senate Investigating Committee \$115,000.

"Extra duplications discovered with Senate Investigating Committee labor \$29,000.

"Removals of excess names from the census rolls due to investigations conducted by the Senate Investigating Committee \$60,469, or a total of \$205,000, which can be directly credited to their interest in the matter and additional credit is due them for many other reductions in the present scholastic census rolls which he is unable to estimate separate and apart from the work of the Department.

"I desire to thank the Senate Investigating Committee for its assistance in securing the fine results in census work and the study of the method of taking the present census and promise the cooperation and assistance of the Department in securing a better method of census enumeration.

Yours very truly,

L. A. WOOD,  
State Superintendent."

This committee desires to express its thanks and appreciation to the Gas Utilities and the Oil and Gas Divisions of the Railroad Commission of Texas, and also to the State Comptroller's Department and the Department of Education for the information furnished this committee and for the cooperation and courteous treatment which was at all times extended to the committee.

The members of this committee serve without compensation and are reimbursed only to the extent of their expenses incurred in the performance of their duties.

Respectfully submitted,

BECK, Chairman,  
WOODRUFF, Vice-Chairman,  
REDDITT, Secretary,  
PURL,  
WOODWARD,  
POAGE,  
MARTIN,  
Senate Investigating Committee.